

ASSIGNED

Serial No. 50140

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE
STATE OF NEVADA HERETOFORE APPROPRIATED

Date of filing in State Engineer's Office SEP 4 1986

Returned to applicant for correction OCT 13 1986

Corrected application filed Map filed SEP 4 1986

The applicant Reno Highlands, a partnership

1211 W. LaPalma Ave., #306 of Anaheim
Street and No. or P.O. Box No. City or Town

California 92801 hereby makeS application for permission to change the
State and Zip Code No.

point of diversion

Point of diversion, manner of use, and/or place of use

of water heretofore appropriated under Permit No. 42656
(Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and

identify right in Decree.)

1. The source of water is underground well
Name of stream, lake, underground spring or other source.

2. The amount of water to be changed 0.5 cfs
Second feet, acre feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for quasi-municipal and domestic
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.

4. The water heretofore permitted for quasi-municipal and domestic
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.

5. The water is to be diverted at the following point NE1/4 NE1/4 Section 16, T.19N., R.18E.,
Describe as being within a 40-acre subdivision of public survey and by course and
MDM at a point from which the NE corner of said Section 16 bears N. 90°54' E.,
distance to a section corner. If on unsurveyed land, it should be stated.

1186.78 feet distance

6. The existing permitted point of diversion is located within SW1/4 SE1/4 Section 10, T.19N., R.18E.,
If point of diversion is not changed, do not answer.

MDM at a point from which the SW corner of said Section 10 bears S. 86°30' W.,

3650 feet distance

7. Proposed place of use Same as existing
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.

8. Existing place of use E1/2 SW1/4 and SW1/4 SE1/4 Section 10, T.19N., R.18E., MDM
Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of use and/or

manner of use of irrigation permit, describe acreage to be removed from irrigation.

9. Use will be from January 1 to December 31 of each year.
Month and Day Month and Day

10. Use was permitted from January 1 to December 31 of each year.
Month and Day Month and Day

11. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and

specifications of your diversion or storage works.) Drilled and cased well equipped with motor
State manner in which water is to be diverted, i.e. diversion structure, ditches,

pump sanitary seal and pipeline to place of use
pipes and flumes, or drilled well, etc.

12. Estimated cost of works None - existing well

13. Estimated time required to construct works None - existing well refer to Proof of
Completion under Permit No. 39291

14. Estimated time required to complete the application of water to beneficial use. 10 years

15. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Estimated consumptive use: 73.0 mqa in addition to the 2.0 mqa under Permit
No. 39291. See attached remarks and the Request for Extension of Time filed
under Permit No. 42656.

Michael D. Buschelman - Agent
 By s/Michael D. Buschelman
248 Winter Street, #1
Reno, Nevada 89503

Compared ijk/bl jr/bk

Protested 1/22/87 by T.C.I.D.,

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion of a portion of the waters of an underground source as heretofore granted under Permit 42656 is issued subject to the terms and conditions imposed in said Permit 42656 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

With the issuance of this permit, the total combined diversion rate of Permits 42653, 42655 and 42656 is reduced 0.45 c.f.s.

This permit allows for diversion from an existing well which must be modified by the method described in the letter dated March 17, 1995 from Aqua Drilling and Well Service to Roy Bowers on file under this permit.

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.05 cubic feet per second, but not to exceed 24.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before August 7, 1996

Proof of completion of work shall be filed before September 7, 1996

Application of water to beneficial use shall be made on or before August 7, 1997

Proof of the application of water to beneficial use shall be filed on or before September 7, 1997

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed MAY 16 1996

IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, P.E.
 State Engineer of Nevada, have hereunto set my hand and the seal of

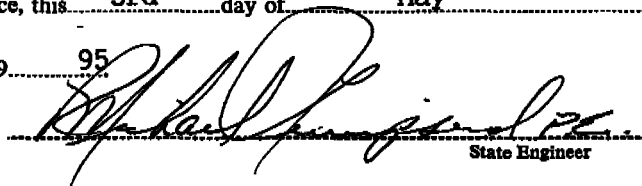
Proof of beneficial use filed

my office, this 3rd day of May

Cultural map filed

A.D. 19 95

Certificate No. Issued


 State Engineer

50140

Item No. 15 - Remarks (Continued)

Reno Highlands has drilled several test wells, conducted pump tests and performed additional evaluations of the ground water quality and quantity available for this proposed development. The final geo-hydrologic reports were received in June, 1985 which indicated that the capabilities of the aquifers located beneath the permittee's place of use were very questionable. Since this final report, alternative methods of supplying water to the Reno Highlands development have been pursued. A tentative agreement has been entered into with the owner of Permit No. 39291 which supplies Verdi Business Park. This tentative agreement is contingent upon approval of the subject applications to change which will relocate the water rights under Permit Nos. 42653, 42655, and 42656 to the point of diversion under Permit 39291. Improvements anticipated for this well, should these applications to change be approved, hopefully will increase its production; however, it is possible that an additional well will need to be drilled. Due to the success in finding satisfactory water under Permit No. 39291, it is felt that sufficient quality and quantity will be found in the vicinity of the Verdi Business Park.

The total combined consumptive use under original Permit Nos. 42653, 42655, and 42656 is 73 million gallons per annum (mga). In addition, the total combined diversion rate under these three permits is not to exceed 0.5 cubic feet per second (cfs) or 225 gpm. It is intended upon approval of the subject applications to change, that the combined consumptive use of all permits will be 75 mga (73 mga plus the existing 2 mga) and the combined diversion rate will be 1.0 cfs (0.5 cfs plus the existing 0.5 cfs) for this point of diversion.

